## In the Specification:

Please amend paragraph 3 as follows:

Use of Pearlescent and Other Pigments to Create Security Documents (Application No. [09/969,020] 09/969,200, Attorney Docket No. P0537D, Inventors Bentley Bloomberg and Robert L. Jones, filed October 2, 2001 (now Patent No. 6,827,277)).

Please amend paragraph 5 as follows:

Contact Smart Cards Having a Document Core, Contactless Smart Cards Including Multi-Layered Structure, PET-Based Identification Document, and Methods of Making Same (Application No. 10/329,318, Attorney Docket No. P0711D, filed December 23, 2002--Inventors Robert Jones, Joseph Anderson, Daoshen Bi, Thomas Regan, and Dennis Mailloux (now Patent No. 6,843,422)).

Please amend paragraph 6 as follows:

Ink with Cohesive Failure and Identification Document Including Same (Application No. 10/329,315, Attorney Docket No. P0714D, filed December 23, 2002-Inventors Robert Jones and Bentley Bloomberg (now Patent No. 7,143,950).

Please amend paragraph 8 as follows:

Multiple Image Security Features for Identification Documents and Methods of Making Same (Application No. 10/325,434, Attorney Docket No. [P028D] P0728D, filed December 18, 2002—Inventors Brian Labrec, Joseph Anderson, Robert Jones, and Danielle Batey (now Patent No. 6,817,530).

Please amend paragraph 9 as follows:

Covert Variable Information on Identification Documents and Methods of Making Same (Application No. 10/330,032, Attorney Docket No. P0732D, filed December 24, 2002 -- Inventors: Robert Jones and Daoshen Bi (now Patent No. 7,063,264)).

Please amend paragraph 12 as follows:

Image Processing Techniques for Printing Identification Cards and Documents (Application No. [10,411,354] 10/411,354, Attorney Docket No. P0819D, filed April 9, 2003—Inventors Chuck Duggan and Nelson Schneck).

Please amend paragraph 13 as follows:

Identification Card Printer-Assembler for Over the Counter Card Issuing (Application No. 10/436,729, Attorney Docket No. [P0829D] P0830D, filed May 12, 2003—Inventors Dennis Mailloux, Robert Jones, and Daoshen bi).

Please amend paragraph 16 as follows:

Optically Variable Devices with Embedded Data for Authentication of Identity Documents (Application No. [not yet assigned] 60/459,284, Attorney Docket No. P0816D, filed March 31, 2003—Inventor Robert Jones).

Please amend paragraph 17 as follows:

Optically Variable Devices with Encrypted Embedded Data for Authentication of Identity Documents (Application No. [not yet assigned] 60/463,660, Attorney Docket No. P0824D, filed March 31, 2003—Inventors Robert Jones and Leo Kenen).

Please amend paragraph 19 as follows:

Each of the above U.S. Patent documents is herein incorporated by reference in its entirety. The present invention is also related to U.S. Patent Application Nos. 09/747,735, filed December 22, 2000 (now Patent No. 6,923,378), 09/602,313, filed June 23, 2000 (now Patent No. 6,752,432), and 10/094,593, filed March 6, 2002, U.S. Provisional Patent Application No. 60/358,321, filed February 19, 2002, as well as U.S. Patent No. 6,066,594. Each of the above U.S. Patent documents is herein incorporated by reference in its entirety.

Please amend paragraph 55 as follows:

Several methods exist to create optically variable media and to apply such media to security documents. One method involves dispersing in a medium (e.g., paint or ink) a plurality of relatively small particles (typically flakes) that have specific optical properties. One example of a particle is a particle comprising a plurality of thin film layers, each film having a particular color and/or optical property. Another example of a particle that can have an optically varying appearance is described in a commonly assigned patent application [09/969,020] 09/969,200, entitled "Use of Pearlescent and Other Pigments to Create Security Documents", by Bentley Bloomberg and Robert L. Jones, filed October 2, 2001 (hereinafter "the ['020] '200 application"), (now Patent No. 6,827,277), the contents of which are incorporated by reference herein in their entirety.

Please amend paragraph 56 as follows:

[The '020 application] Patent No. 6,827,277 describes a media having optically variable properties which includes, in one embodiment, particles comprising flat, irregularly shaped mica platelets coated with titanium dioxide and/or iron oxide. These particles, when dispersed in a media, can give a generally "pearlescent" effect, with smaller particles producing a "satin" effect and larger particles producing a "glitter" effect. In many instances, optically variable media are incorporated into a material such as a laminate layer or overlaminate layer, providing an optically variable indicia that

overlays other information on the card. Generally, such an optically variable indicia contains "fixed" data (information that is the same from card to card).

Please amend paragraph 69 as follows:

[01] To provide these and other advantages, the invention described herein proposes a unique security feature that combines an optically variable feature, a forensic feature, and a tamper evident feature. [On] One portion of the security feature is both visible and at least substantially translucent in visible light, enabling it to be applied to virtually any portion of an identification document, including being overlaid over other information on an identification document. At least one other portion of the security feature is visible only in a light that is not visible to the naked eye, such as UV or IR light. In one embodiment, the security feature comprises a first covert layer, an optically variable layer, and a second covert layer. The first covert layer comprises a patch of first material applied over a first side of the optically variable layer, where the first material comprises a first covert material that is visible to the naked eye only under at least one predetermined light wavelength. The presence of the first covert material is generally not known to the public. The optically variable layer comprises a layer of material capable of presenting a varying appearance depending on the angle from which the optically variable material is viewed. The second covert layer is disposed along a second side of the optically variable layer and comprises a second layer of a second covert material that breaks upon intrusion.

Please amend paragraph 100 as follows:

"Optically variable" includes (but is not limited to) coatings, films, devices, foils, threads, etc., that exhibit a varying appearance depending on, e.g., the angle at which they are viewed, the type of light that is used to view the device (e.g., reflective light versus transmissive light, visible versus non-visible, etc). For example, so-called "color shifting" films, laminates, coatings, particles, threads, etc., which appear to have a first color (or set of colors, or lack of color(s)) when viewed at a first angle (or first type of light) and a different color (or set of colors, or lack of color(s)) when viewed at a second angle (or type of light) can all be said to be optically variable. Holograms KINEGRAMS

(available from Kurz OVD Kinegram in Switzerland), Exelgrams (available from CSIRO of Australia), PolaSecure<sup>TM</sup> (available from the assignee of the present invention), ADVANTAGE, and Tri-Color Polasecure<sup>TM</sup> (also available from the assignee of the present invention) are additional examples of materials that are optically variable. The materials described in the aforementioned ['020 application] 6,827,277 patent also are materials that are optically variable.

## Please amend paragraph 118 as follows:

The optically variable layer 116 comprises a layer of material that has a first appearance at a first angle of viewing and a second appearance at a second angle of viewing. The varying appearance can, for example, be a varying color (as shown in FIG. 2). In one embodiment, the optically variable layer 116 comprises a polymeric liquid crystal material. Other optically variable materials and devices, such as inks, pigments, holograms, the materials disclosed in the aforementioned ['020 application] 6,827,277 patent, etc., also may be usable. As is shown in FIG. 3, the optically variable layer covers at least one side of the first covert layer 112.

## Please amend paragraph 143 as follows:

Several particular digital watermarking techniques have been developed. The reader is presumed to be familiar with the literature in this field. Some techniques for embedding and detecting imperceptible watermarks in media signals are detailed in the assignee's co-pending U.S. Patent Application No. 09/503,881 (now Patent No. 6,614,914), U.S. Patent No. 6,122,403 and PCT patent application PCT/US02/20832, which are each herein incorporated by reference.